

103D CONGRESS
1ST SESSION

S. 407

To create a National Commission on School Finance To Meet the National Education Goals.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 18 (legislative day, JANUARY 5), 1993

Mr. BINGAMAN (for himself and Mr. COCHRAN) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To create a National Commission on School Finance To Meet the National Education Goals.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Commission
5 on School Finance To Meet the National Education Goals
6 Act”.

7 **SEC. 2. FINDINGS.**

8 The Congress finds—

9 (1) State governments have for a long time
10 played the principal role in financing America’s edu-

1 cation system and historically such role has involved
2 heavy reliance upon locally administered property
3 taxes in conjunction with State prescribed per pupil
4 spending minima, while the Federal Government has
5 been a junior partner in such role, contributing ap-
6 proximately 7 or 8 percent of the amount spent on
7 kindergarten through twelfth grade schooling;

8 (2) the State and local role described in para-
9 graph (1) has traditionally been decentralized;

10 (3) the rapid evolution of an unusually competi-
11 tive international economy is altering national edu-
12 cation needs and the new strategic resource for na-
13 tions has become the trained intellect of its citizens;

14 (4) the United States is attempting to respond
15 to the challenge described in paragraph (3) by de-
16 bating and implementing education reform alter-
17 natives and setting national education goals;

18 (5) education reforms may have little chance of
19 sustained success and universal achievement of the
20 national education goals may be jeopardized when
21 such reforms are part of a disparate means by which
22 our Nation finances its schools;

23 (6) the means by which United States schools
24 are financed result in—

1 (A) spending inequality from school-to-
2 school, district-to-district and State-to-State;

3 (B) neglected effectiveness such as finance
4 systems paying little heed to outcomes, account-
5 ability, or performance, and seldom is an edu-
6 cation attainment target posed regarding de-
7 sired outcomes or performance incentives;

8 (C) organizational rigidity in which school
9 finance systems are rooted in operational units
10 such as small rural schools, as exemplified by
11 school districts having consolidated in mam-
12 moth agencies with cumbersome bureaucratic
13 structures sometimes distant geographically and
14 organizationally from the schools such districts
15 purport to direct; and

16 (D) confusion caused by school finance
17 system accretion and as a consequence intoler-
18 able complexity;

19 (7) the entire context in which United States
20 education now operates has been altered in the last
21 2 decades and expectations for education are higher,
22 and on crucial dimensions, the capacity of schools to
23 respond is lower; and

24 (8) in the absence of alternative school finance
25 mechanisms with adequate and adequately struc-

1 tured resources, the hope of national education
2 goals, national assessments, and a host of other re-
3 form alternatives are in jeopardy of foundering on
4 good intentions and rhetoric.

5 **SEC. 3. COMMISSION ESTABLISHED.**

6 (a) ESTABLISHMENT OF THE COMMISSION.—There
7 is established as an independent agency in the executive
8 branch a commission to be known as the National Com-
9 mission on School Finance To Meet the National Edu-
10 cation Goals (hereafter in this Act referred to as the
11 “Commission”).

12 (b) MEMBERSHIP.—

13 (1) COMPOSITION.—The Commission shall be
14 composed of 12 members, of which—

15 (A) 2 shall be appointed by the President;

16 (B) 2 shall be appointed by the Speaker of
17 the House of Representatives;

18 (C) 3 shall be appointed by the Minority
19 Leader of the House of Representatives;

20 (D) 2 shall be appointed by the Majority
21 Leader of the Senate; and

22 (E) 3 shall be appointed by the Minority
23 Leader of the Senate.

24 (2) SPECIAL RULE.—The membership of the
25 Commission shall provide the Commission with ex-

1 pertise and experience in the provision and financing
2 of elementary and secondary education, including ex-
3 pertise in elementary and secondary school adminis-
4 tration, teaching, State legislation, education eco-
5 nomics research, and development of standards and
6 assessments.

7 **SEC. 4. DUTIES OF THE COMMISSION.**

8 (a) STUDY.—The Commission shall study what has
9 been learned from the research on innovations in practice
10 that will help further understanding of what will be nec-
11 essary and what the cost implications are for achieving
12 the national education goals and shall investigate the ex-
13 tent to which—

14 (1) Federal laws demonstrate a consistent and
15 coherent Federal policy regarding educational access
16 and equity with respect to resources;

17 (2) Federal education laws and regulations pro-
18 mote the stated Federal education policy;

19 (3) there are alternatives to current school fi-
20 nance mechanisms; and

21 (4) schools and States have the capacity to re-
22 spond financially to the reform demands implied in
23 the national education goals and the consequent ob-
24 jectives.

1 (b) SPECIFIC REQUIREMENTS.—In carrying out its
2 responsibilities under this section, the Commission shall
3 synthesize and evaluate existing information in the follow-
4 ing areas:

5 (1) FISCAL CAPACITY.—The fiscal capacity of
6 States and local educational agencies to provide ac-
7 cess to high quality education to all students, includ-
8 ing synthesizing and evaluating information regard-
9 ing—

10 (A) the costs of different ways of providing
11 educational services and the factors that impact
12 student achievement;

13 (B) the impact of socioeconomic status and
14 student-to-teacher ratios, and the effect of such
15 status and ratios on student achievement;

16 (C) all revenue expended in the United
17 States on elementary and secondary education,
18 including revenue from Federal, State, local
19 and private sources;

20 (D) international comparisons of expendi-
21 ture levels, and intergovernmental financial re-
22 sponsibilities, for public elementary and second-
23 ary education;

24 (E) population sparsity and density factors
25 with respect to educational needs and costs;

1 (F) revenue available to all local edu-
2 cational agencies in the United States with re-
3 spect to property taxes, sales taxes, personal in-
4 come taxes and lotteries;

5 (G) differences in the costs of providing el-
6 ementary and secondary education by State,
7 and by local educational agencies within States;

8 (H) the capacity of State school finance
9 systems to provide the resources necessary to
10 achieve the national education goals; and

11 (I) the role of educational technologies in
12 improving cost-effectiveness, program quality
13 and equity.

14 (2) FISCAL EFFORT.—The fiscal effort State
15 and local educational agencies make to provide ac-
16 cess to high quality education to all students, includ-
17 ing synthesizing and evaluating information regard-
18 ing—

19 (A) the variables associated with the will-
20 ingness of communities to tax themselves to
21 raise education revenues;

22 (B) different teaching compensation poli-
23 cies; and

24 (C) school districts with much higher than
25 average per pupil expenditures and school dis-

1 tricts with much lower than average per pupil
2 expenditures both before and after the imple-
3 mentation of equalization measures.

4 (3) POLICY.—The impact of Federal, State,
5 and local programs and policies on equalizing access
6 to educational opportunity, including synthesizing
7 and evaluating information regarding—

8 (A) the relationship between the amount
9 of—

10 (i) Federal education assistance; and

11 (ii) tax expenditures for equalization
12 of school finance;

13 (B) the costs of Federal or State laws that
14 are not fully funded by the level of government
15 that established such laws;

16 (C) the effect of financial incentives on
17 school performance;

18 (D) the consistency and coherency
19 among—

20 (i) Federal, State, and local edu-
21 cational equity policies; and

22 (ii) Federal, State, and local laws,
23 regulations and resources; and

24 (E) the effect of Federal education assist-
25 ance programs and Federal, State, or local tax

1 expenditures on equalization of school finance
2 resources.

3 (4) SCHOOL FINANCE LEGISLATION.—The
4 trends in State school finance legislation and judicial
5 actions.

6 (c) REPORTS AND RECOMMENDATIONS.—The Com-
7 mission shall prepare and submit to the Congress an in-
8 terim report within 12 months of the date of enactment
9 of this Act and a final report within 18 months of such
10 date. Such reports shall—

11 (1) summarize the appropriate findings of the
12 Commission;

13 (2) provide to the Congress a comprehensive
14 analysis of the extent to which a consensus exists re-
15 garding the appropriate roles of Federal, State and
16 local government in supporting school and State fi-
17 nance reform;

18 (3) provide an analysis of the resources that
19 will be needed at the school, district and State level
20 to achieve the national education goals; and

21 (4) provide an analysis of the capacity of State
22 school finance systems to provide the resources nec-
23 essary to meet the national education goals.

1 **SEC. 5. ADMINISTRATION OF THE COMMISSION.**

2 (a) RATE OF PAY.—Members of the Commission who
3 are not full-time officers or employees of the United States
4 and who are not Members of Congress may, while serving
5 on business of the Commission, be compensated at a rate
6 not to exceed the rate specified at the time of such service
7 for level IV of the Executive Schedule as authorized by
8 section 5315 of title 5, United States Code, for each day,
9 or any part of a day, they are engaged in actual perform-
10 ance of Commission duties, including travel time; and
11 while so serving away from their homes or regular places
12 of business, all members of the Commission may be al-
13 lowed travel expenses, including per diem in lieu of sub-
14 sistence, as authorized by section 5703 of title 5, United
15 States Code, for persons in government service employed
16 intermittently.

17 (b) TEMPORARY EXEMPTION.—Subject to such rules
18 as may be adopted by the Commission, the Chairperson,
19 without regard to the provisions of title 5, United States
20 Code, governing appointments in the competitive service
21 and without regard to the provisions of chapter 51 and
22 subchapter III of chapter 53 of such title relating to classi-
23 fication and General Schedule pay rates, shall have the
24 power to—

25 (1) appoint a Director or Executive Director
26 who shall be paid at a rate not to exceed the rate

1 of basic pay payable for level IV of the Executive
2 Schedule; and

3 (2) appoint and fix the compensation of such
4 other personnel as the Chairperson considers nec-
5 essary at a rate not to exceed the rate of basic pay
6 payable for level IV of the Executive Schedule.

7 (c) AUTHORITY TO CONTRACT.—Subject to the Fed-
8 eral Property and Administrative Services Act of 1949,
9 the Commission is authorized to enter into contracts or
10 interagency agreements with Federal and State agencies,
11 private firms, institutions, and individuals for the conduct
12 of activities necessary to the discharge of its duties and
13 responsibilities.

14 (d) SOURCE OF ADMINISTRATIVE SUPPORT.—Finan-
15 cial and administrative support services (including those
16 related to budget and accounting, financial reporting, pay-
17 roll, and personnel) shall be provided to the Commission
18 by the General Services Administration (or other appro-
19 priate organization) for which payment shall be made in
20 advance or by reimbursement from funds of the Commis-
21 sion, in such amounts as may be agreed by the Chair-
22 person of the Commission and the Administrator of Gen-
23 eral Services.

24 (e) AUTHORITY TO HIRE EXPERTS AND CONSULT-
25 ANTS.—The Commission is authorized to procure tem-

1 porary and intermittent services of experts and consult-
2 ants as are necessary to the extent authorized by section
3 3109 of title 5, United States Code, but at rates not to
4 exceed the rate specified at the time of such service for
5 level IV of the Executive Schedule. Experts and consult-
6 ants may be employed without compensation if they agree
7 to do so in advance.

8 (f) AUTHORITY FOR DETAIL OF EMPLOYEES.—Upon
9 request of the Commission, the head of any Federal de-
10 partment or agency is authorized to detail on a reimburs-
11 able basis, any of the personnel of such department or
12 agency to the Commission to assist the Commission in car-
13 rying out its duties under this section.

14 **SEC. 6. TERMINATION.**

15 The Commission shall terminate 3 years after the
16 first meeting of its members.

17 **SEC. 7. DEFINITIONS.**

18 For the purpose of this Act—

19 (1) the term “elementary school” has the same
20 meaning given to such term by section 1471(8) of
21 the Elementary and Secondary Education Act of
22 1965;

23 (2) the term “local educational agency” has the
24 same meaning given to such term by section

1 1471(12) of the Elementary and Secondary Edu-
2 cation Act of 1965;

3 (3) the term “national education goals” means
4 the national education goals established pursuant to
5 the education summit held in Charlottesville, Vir-
6 ginia in 1989;

7 (4) the term “secondary school” has the same
8 meaning given to such term by section 1471(21) of
9 the Elementary and Secondary Education Act of
10 1965; and

11 (5) the term “State” has the same meaning
12 given to such term by section 1471(22) of the Ele-
13 mentary and Secondary Education Act of 1965.

14 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

15 There are authorized to be appropriated \$5,000,000
16 for each of the fiscal years 1993, 1994, and 1995 to carry
17 out this Act.

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